

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

Operator: License # 5399

Name: American Energies Corporation

Address: 155 North Market, Suite 710

City/State/Zip: Wichita, KS 67202

Purchaser: _____

Operator Contact Person: Alan L. DeGood

Phone: (316) (316) 263-5785

Contractor: Name: W W Drilling, LLC

License: 33575

Wellsite Geologist: David Goldak

Designate Type of Completion:

New Well Re-Entry Workover

Oil SWD SIOW Temp. Abd

Gas ENHR SIGW

Dry Other (Core, WSW, Expl., Cathodic, etc)

If Workover/Re-entry: Old Well Info as follows:

Operator: _____

Well Name: _____

Original Comp. Date: _____ Original Total Depth: _____

Deepening Re-perf. Conv. To Enhr/SWD

Plug Back Plug Back Total Depth _____

Commingled Docket No. _____

Dual Completion Docket No. _____

Other (SWD or Enhr.?) Docket No. _____

7/31/2010	8/6/10	8/17/10
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API NO. 15 - 163-23887-0000

County: Rooks

NW - SE - NE SW Sec. 26 Twp 10S S. R. 18W East West

1730 feet from (S) N (circle one) Line of Section

2010 feet from E / W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:

(circle one) NE (SE) NW SW

Lease Name: Shephard Well #: 2-26

Field Name: Eilers South

Producing Formation: Lansing

Elevation: Ground: 2071 Kelly Bushing: 2076

Total Depth: 3671 Plug Back Total Depth: 3652

Amount of Surface Pipe Set and Cemented at 8 5/8" 23# @ 260 Feet

Multiple Stage Cementing Collar Used? No

If yes, show depth set 1486 Feet

If Alternate II completion, cement circulated from 1486

feet depth to Surface w/ 250 sx lite _____ sx cmt.

Drilling Fluid Management Plan
(Data must be collected from the Reserve Pit)

Chloride content 53,000 ppm Fluid volume 1,000 bbls

Dewatering method used Evaporation

Location of fluid disposal if hauled offsite: _____

Operator Name: _____


Lease Name: _____ License No.: _____

Quarter _____ Sec _____ Twp _____ S. R. East West

County: _____ Docket No.: _____

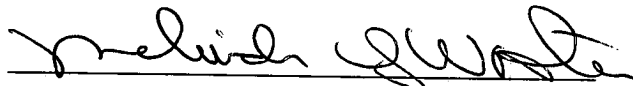
INSTRUCTIONS: An original and two copies of this form shall be filed with Kansas Corporation Commission, 130 S. Market - Room 2078, Wichita, Kansas 67202, within 120 days of the spud date, recompletion, workover or conversion of a well. Rule 82-3-130, 82-3-106 and 82-3-107 apply. Information of side two of this form will be held confidential for a period of 12 months if requested in writing and submitted with the form (see rule 82-3-107 for confidentiality in excess of 12 months). One copy of all wireline logs and geologist well report shall be attached with this form. ALL CEMENTING TICKETS MUST BE ATTACHED. Submit CP-4 form with all plugged wells. Submit CP-111 form with all temporarily abandoned wells.

All requirements of the statutes, rules and regulations promulgated to regulate the oil and gas industry have been fully complied with and the statements herein are complete and correct to the best of my knowledge.

Signature: 

Title: Alan L. DeGood, President Date: 9/7/2010

Subscribed and sworn to before me this 7th day of September, 2010

Notary Public: 

Date Commission Expires: Melinda S. Wooten, Notary Exp. 3/12/12

MELINDA S. WOOTEN
Notary Public - State of Kansas
My Appt. Expires 3-12-12

KCC Office Use ONLY

Letter of Confidentiality Attached

If Denied, Yes _____ Date: _____

Wireline Log Received

Geologists Report Received

UIC Distribution

Alt 2 - Dlg. 9/13/10

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Operator Name: American Energies Corporation Lease Name: Shephard Well: 2-26
 Sec. 26 Twp. 10 S. R. 18W West County: Rooks

INSTRUCTIONS: Show important tops and bas of formations penetrated. Detail all cores. Report all final copies of drill stem tests giving interval test, time tool open and closed, flowing and shut-in pressures, whether shut-in pressure reached static level hydrostatic pressures, bottom hole temperature, fluid recovery, and flow rates if gas to surface test, along with final charts(s). Attach extra sheet if more space is needed. Attach copy of all Electric Wireline logs surveyed. Attach final geological well site report.

Drill Stem Tests Taken Yes No Yes No
 (Attach Additional Sheets)

Samples Sent to Geological Survey Yes No

Cores Taken Yes No

Electric Log Run Yes No Yes No
 (Submit Copy)

List All E. Logs Run:
 Dual Compensated Porosity Log
 Dual Induction
 Microresistivity
 Cement Bond Log

Log Formation (Top), Depth and Datum Sample Datum
 Name Top Datum
 See attached Drilling Report

CASING RECORD <input checked="" type="checkbox"/> New <input type="checkbox"/> Used							
Report all strings set-conductor, surface, intermediate, production, etc.							
Purpose of String	Size Hole Drilled	Size Casing Set (In O.D.)	Weight Lbs. / Ft.	Setting Depth	Type of Cement	# Sacks Used	Type and Percent Additives
Surface	12 1/4"	8 5/8"	23#	260'	60/40 poz	165 sx	2% gel, 3% CC
Production	7 7/8"	4 1/2"	11.6#	3670 3595'	Common	145 sx	10% salt, 2% gel

ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose:	Depth Top Bottom	Type of Cement	#Sacks Used	Type and Percent Additives
<input checked="" type="checkbox"/> Protect Casing	3595	Lite	250	Multi-Density Cement (MIDCON II)

Per cement bond log + report - D19-1000

Shots Per Foot	PERFORATION RECORD - Bridge Plugs Set/Type Specify Footage of Each Interval Perforated	Acid, Fracture, Shot, Cement Squeeze Record (Amount and Kind of Material Used)	Depth
4	3396-3399	1000 gallons 15% NEFE with 3% acetic	3396-3399
4	3473-3478	250 gallons MCA - 15% acid	3473-78

TUBING RECORD	Size 2 7/8"	Set At 3667'	Packer At None	Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumed Production, SWD or Enhr. 8/31/201'	Producing Method <input type="checkbox"/> Flowing <input checked="" type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain)			
Estimated Production Per 24 Hours	Oil Bbls 35	Gas Mcf	Water Bbls 14	Gas-Oil Ratio Gravity

Disposition of Gas: Vented Sold Used on Lease Open Hole Perf Dually Comp. Commingled

METHOD OF COMPLETION: Other Specify _____

Production Interval: _____

(If vented, Sumit ACO-18.)

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8/24/10 Went in and tagged fluid @ 2100' down, had 1400' of fluid – 400' oil.

Hour Tests	Recovery	Content
1 st hour	18 bbls fluid, 3000' down	Some Gas
2 nd hour	6 bbls fluid	65% oil

Went in to get plug and could not get plug. Set on top of plug and swabbed for ½ hour – tried again, could not get plug. TOH with packer to look at the catcher. Got packer out and had iron sulfide in packer. Did not want to circulate hole, so will leave Baker lock set plug @ 3522'. **TIH with tubing, ran 112 jts 2 3/8" tubing, 10' and 8' tubing subs and set 4' off bottom. Ran in 2 X 1 ½ X 12' RWT pump, 138 ¾" rods and 2 – 2' rod subs, 1 ½ X 16' polish rod. Loaded tubing and moved off. SI**

Will start setting production equipment on Friday, 8/27/10, weather permitting.

8/27/10 Set - PU – Lufkin 114 – 54" stroke (transferred from Eilers #1 – 10821149)

Set 2 – 200 bbl Steel Stock Tanks

Set 1 – 210 bbl Gun Barrel

Set 1 – 200 bbl Fiberglass Saltwater tank

8/31/10 Well started pumping into gun barrel @ 10:00 a.m.

9/01/10 47 Bbls Fluid & filled Lead lines, should be over in to stock tank by tomorrow.

Plain's Marketing Lease #173101, Bill Mills will be pumping this well. It will be disposing into the Eilers SWD.

	Total Fluid	Oil Percentage	Barrels of Oil	Barrels of Water	NOTES
9/01/10	57.00	85%	48.62	8.58	
9/02/10	57.20	75%	42.90	14.30	
9/03/10	50.00	60%	30.00	20.00	Pump gas locked

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ATTORNS

...CUSTOMER...
...SHELL...
...MENTING CO., LLC
...Advising Services

PO BOX 31 Russell, KS 67665

INVOICE

Invoice Number: 123790

Invoice Date: Jul 31, 2010

Page: 1

Voice: (785) 483-3887
Fax: (785) 483-5566

Bill To:
American Energies Corp. 155 N. Market Ste. #710 Wichita, KS 67202

2024

Customer ID	Well Name# or Customer P.O.	Payment Terms	
Am Eng	Shepard #2-26	Net 30 Days	
Job Location	Camp Location	Service Date	Due Date
KS2-01	Russell	Jul 31, 2010	8/30/10

Quantity	Item	Description	Unit Price	Amount
165.00	MAT	Class A Common	13.50	2,227.50
3.00	MAT	Gel	20.25	60.75
6.00	MAT	Chloride	51.50	309.00
165.00	SER	Handling	2.25	371.25
1.00	SER	Handling Mileage Charge	300.00	300.00
1.00	SER	Surface	991.00	991.00
15.00	SER	Pump Truck Mileage	7.00	105.00

ALL PRICES ARE NET, PAYABLE
30 DAYS FOLLOWING DATE OF
INVOICE. 1 1/2% CHARGED
THEREAFTER. IF ACCOUNT IS
CURRENT, TAKE DISCOUNT OF

\$ 872.83

ONLY IF PAID ON OR BEFORE
Aug 25, 2010

Subtotal	4,364.50
Sales Tax	163.63
Total Invoice Amount	4,528.13
Payment/Credit Applied	
TOTAL	4,528.13

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3655.23

REC KCC WICHITA
SEP 05 2010

ALLIED CEMENTING CO., LLC. 041735

REMIT TO P.O. BOX 31
RUSSELL, KANSAS 67665

SERVICE POINT:
Russell Ks.

DATE <u>7-31-10</u>	SEC. <u>26</u>	TWP. <u>10s</u>	RANGE <u>18w</u>	CALLED OUT	ON LOCATION	JOB START <u>7:30am</u>	JOB FINISH <u>8:00pm</u>
LEASE <u>Shepard</u>	WELL # <u>2-26</u>	LOCATION <u>HAYS / N. OF Co. Line</u>		COUNTY <u>ROCK'S</u>	STATE <u>KANSAS</u>		
OLD OR NEW (Circle one)		on Hwy 183, 1/4 W 1/4 N INTO					

CONTRACTOR W-W DRLG. Rig #6 OWNER _____

TYPE OF JOB Cement SURFACE

HOLE SIZE 12 1/4 T.D. 260'

CASING SIZE 2 3/8 New DEPTH 260'

TUBING SIZE 2 3/8 DEPTH _____

DRILL PIPE DEPTH _____

TOOL DEPTH _____

PRES. MAX MINIMUM

MEAS. LINE SHOE JOINT _____

CEMENT LEFT IN CSG. 15'

PERFS. _____

DISPLACEMENT 15.00 / BBL

EQUIPMENT _____

PUMP TRUCK CEMENTER CLARK

398 HELPER RON B.

BULK TRUCK _____

473 DRIVER Richard

BULK TRUCK _____

DRIVER Johny

CEMENT AMOUNT ORDERED <u>165 SA Com.</u>			
<u>2 1/2 GEL</u>			
<u>3 7/8 CC</u>			
COMMON <u>165</u>	@ <u>13.50</u>	<u>2227.50</u>	
POZMIX	@		
GEL <u>3</u>	@ <u>20.25</u>	<u>60.75</u>	
CHLORIDE <u>6</u>	@ <u>51.50</u>	<u>309.00</u>	
ASC	@		
	@		
	@		
	@		
	@		
	@		
	@		
HANDLING <u>165</u>	@ <u>2.25</u>	<u>371.25</u>	
MILEAGE <u>10.5 hr</u>		<u>300.00</u>	
		TOTAL	<u>3268.50</u>

REMARKS:

Ran down ITS 8 3/4 23# CSG.
Set @ 260' Received Circulation
Mixed 165 SA Cement & Displaced 15.00 BBL
H30 & Shot in @ 350 #
Cement Circulated
THANKS

SERVICE

DEPTH OF JOB		
PUMP TRUCK CHARGE		<u>971.00</u>
EXTRA FOOTAGE	@	
MILEAGE <u>15</u>	@ <u>7.00</u>	<u>105.00</u>
MANIFOLD	@	
	@	
	@	
		TOTAL <u>1096.00</u>

CHARGE TO: AMERICAN ENERGIES

STREET _____

CITY _____ STATE _____ ZIP _____

PLUG & FLOAT EQUIPMENT

	@	
	@	
	@	
	@	
	@	
		TOTAL _____

To Allied Cementing Co., LLC.
 You are hereby requested to rent cementing equipment and furnish cementer and helper(s) to assist owner or contractor to do work as is listed. The above work was done to satisfaction and supervision of owner agent or contractor. I have read and understand the "GENERAL TERMS AND CONDITIONS" listed on the reverse side.

PRINTED NAME Mark Bigge

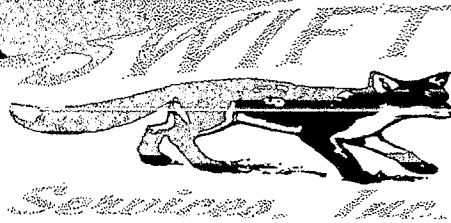
SIGNATURE Mark Bigge

SALES TAX (If Any) _____

TOTAL CHARGES 3268.50

DISCOUNT _____ IF PAID IN 30 DAYS

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 REC'D AUG 05 2010
 KCC WOLUTA



P. O. Box 466
 Ness City, KS 67560
 Off: 785-798-2300

Invoice

DATE	INVOICE #
8/6/2010	18672

BILL TO

American Energies Corporation
 155 North Market Street
 710 Market Centre Building
 Wichita, KS 67202

- Acidizing
- Cement
- Tool Rental

3201.001

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	#2-26	Shepard	Rooks	WW Drilling	Oil	Development	4-1/2" Two-Stag...	Wayne
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
575D	Mileage - 1 Way				40	Miles	5.00	200.00
579D	Pump Charge - Two-Stage - 3595 Feet				1	Job	1,750.00	1,750.00
221	Liquid KCL (Clayfix)				4	Gallon(s)	25.00	100.00T
281	Mud Flush				500	Gallon(s)	1.00	500.00T
402-4	4 1/2" Centralizer				5	Each	50.00	250.00T
403-4	4 1/2" Cement Basket				2	Each	200.00	400.00T
407-4	4 1/2" Insert Float Shoe With Auto Fill				1	Each	250.00	250.00T
408-4	4 1/2" D.V. Tool & Plug Set				1	Each	2,250.00	2,250.00T
417-4	4 1/2" D.V. Latch Down Plug & Baffle				1	Each	200.00	200.00T
325	Standard Cement				175	Sacks	12.00	2,100.00T
330	Swift Multi-Density Standard (MIDCON II)				250	Sacks	15.00	3,750.00T
276	Flocele				110	Lb(s)	1.50	165.00T
279	Bentonite Gel				3	Sack(s)	25.00	75.00T
283	Salt				950	Lb(s)	0.15	142.50T
286	Halad-1 (Halad 9)				100	Lb(s)	6.00	600.00T
290	D-Air				4	Gallon(s)	35.00	140.00T
581D	Service Charge Cement				425	Sacks	1.50	637.50
583D	Drayage				856.2	Ton Miles	1.00	856.20
Subtotal								14,366.20
Sales Tax Rooks County							6.30%	688.12

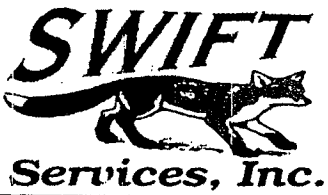
ENT'D AUG 19 2010

We Appreciate Your Business!

Total

RECEIVED 14,366.32

SEP 09 2010
 REC'D AUG 12 2010
 KCC WICHITA



CHARGE TO: **AMERICAN ENERGIES**
 ADDRESS: _____
 CITY, STATE, ZIP CODE: _____

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TICKET
 18672

PAGE 1 OF 2

KCC WICHITA

SERVICE LOCATIONS 1. NESS City, KS	WELL/PROJECT NO. 2-26	LEASE SHEPARD	COUNTY/PARISH ROOKS	STATE Ks	CITY KCC WICHITA	DATE 8-6-10	OWNER SAME
2.	TICKET TYPE <input checked="" type="checkbox"/> SERVICE <input type="checkbox"/> SALES	CONTRACTOR WW DRIG	RIG NAME/NO.	SHIPPED VIA CT	DELIVERED TO LOCATION	ORDER NO.	
3.	WELL TYPE OIL	WELL CATEGORY DEVELOPMENT	JOB PURPOSE 4 1/2" 2-STAGE LOGS/STRONG	WELL PERMIT NO.	WELL LOCATION HAYS, KS - N/GW, 1N, 18W, N		
4. REFERRAL LOCATION	INVOICE INSTRUCTIONS						

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.		U/M		UNIT PRICE	AMOUNT
		LOC	ACCT	DF							
575		1			MILEAGE # 111	40		MILE		5.00	200.00
579		1			PUMP CHARGE 2-STAGE	1		JOB	3595	1750.00	1750.00
221		1			LIGAND KCL	4		GAL		25.00	100.00
281		1			MUDFLUSH	500		GAL		1.00	500.00
402		1			CENTRALIZERS	5		EA	4 1/2"	50.00	250.00
403		1			CONCRETE BASKETS	2		EA		200.00	400.00
407		1			INSERT FLOAT SHOE w/AUTO FILL	1		EA		250.00	250.00
408		1			DV TOOL - PLUG SET	1		EA	1441 FT	2250.00	2250.00
417		1			DV LATCH DOWN PLUG - RAFFLE	1		EA		200.00	200.00

LEGAL TERMS: Customer hereby acknowledges and agrees to the terms and conditions on the reverse side hereof which include, but are not limited to, PAYMENT, RELEASE, INDEMNITY, and LIMITED WARRANTY provisions.

SIGNED BY CUSTOMER OR CUSTOMER'S AGENT PRIOR TO WORK OR DELIVERY OF GOODS

DATE: **8-6-10** TIME SIGNED: **1900** A.M. P.M.

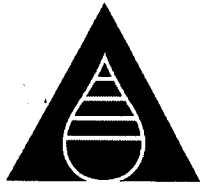
REMIT PAYMENT TO:
SWIFT SERVICES, INC.
 P.O. BOX 466
 NESS CITY, KS 67560
 785-798-2300

SURVEY	AGREE	UN-DECIDED	DIS-AGREE	PAGE TOTAL #1	5900.00
OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN?				#2	8466.20
WE UNDERSTOOD AND MET YOUR NEEDS?				subtotal	14,366.20
OUR SERVICE WAS PERFORMED WITHOUT DELAY?				TAX	688.12
WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?				Rooks 6.3%	
ARE YOU SATISFIED WITH OUR SERVICE? <input type="checkbox"/> YES <input type="checkbox"/> NO				TOTAL	15,054.32
<input type="checkbox"/> CUSTOMER DID NOT WISH TO RESPOND					

CUSTOMER ACCEPTANCE OF MATERIALS AND SERVICES: The customer hereby acknowledges receipt of the materials and services listed on this ticket.

DR: *[Signature]* APPROVAL: *[Signature]*

Thank You!



American Energies
Corporation

155 N. Market, Suite 710, Wichita, KS 67202
316-263-5785, 316-263-1851 fax

AMERICAN ENERGIES CORPORATION
DRILLING AND COMPLETION REPORT
SHEPARD #2-26

LEASE #: 108221199
LOCATION: 1730' FSL & 2101' FWL 26-10S-18W
COUNTY: Rooks
API: 15-163-23887-0000
CONTRACTOR: W W Drilling, LLC
GEOLOGIST: David Goldak

SURFACE CASING: 8 5/8", 23# set @ 260'
PRODUCTION CASING:
PROJECTED RTD: 3700'
G.L.: 2071 K.B.: 2076
SPUD DATE: 7/31/10
COMPLETION DATE:
REFERENCE WELLS:

NOTIFY: American Energies Corp
Dianne Y. DeGood Family Trust
Gar Oil Corporation - FAX
Peter J. Coakley
M. C. Coakley
R & T Investments
R T & M Partnership
Spring Creek Resources
Stump Properties, LP
James A. Hutchinson
Jean Poindexter
Hyde Resources, Inc.
Harvest, LLC
M. L. Korphage
Richard A. Hiebsch
Cross Point, Inc.
Barry Considine

#1: AEC's - Shepard #1 - SW SW SW 26-T10S-R18W
#2: Murfin - Rouback #1-26 - 990' FSL & 2170' FEL 26-10S-18W

FORMATION:	SAMPLE LOG:				ELECTRIC LOG TOPS:			
			COMPARISON:				COMPARISON:	
		#1	#2			#1	#2	
Anhydrite	1426	+650	+10	Flat	1427	+649	+9	-1
Base Anhydrite	1457	+619	+9	-1	1458	+618	+8	-2
Topeka	3056	-980	Flat	-5	3058	-982	-2	-7
Oread	3218	-1142	Flat	-5	3221	-1145	-3	-8
Heebner	3275	-1199	+1	-4	3277	-1201	-1	-6
Toronto	3292	-1216	+2	-4	3296	-1220	-2	-8
Lansing	3317	-1241	+1	-4	3320	-1244	-2	-7
Base KC	3537	-1461	+2	-1	3540	-1464	-1	-4
Arbuckle	3667	-1591	N/A	+1	LDNP			
RTD	3671	-1595			3675	-1599		

7/31/10 MIRU, Spud well @ 2:15 p.m. Drilled 12 1/4" surface hole. Set 8 5/8" 23# surface casing @ 260'.
Cemented with 165 sx Common (3% CC, 2% Gel). Cementing by Allied. Cement did circulate.

8/01/10 At 650' and WOC.

8/02/10 At 2270' and drilling ahead. Chlorides: 500 PPM.

8/03/10 At 3223' and drilling ahead.

8/04/10 At 3382' and circulating for samples at 7:00 a.m. DST #1: 3272-3344 (Toronto, Lansing A and Lansing B Zones), recovered 5' mud with show of oil. Pressures: IHP: 1572, IFP: 24-26, ISIP: 154, FFP: 26-28.
FSIP: 87, FHP: 1567. BHT: 103 degrees.

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DRILLING REPORT SHEPARD #2-26, Page 2

8/05/10 At 3582' and drilling ahead.

DST #2: 3384-3487 (Lansing F – I), Times: 30-60-45-90. Recovered 210' GIP & 210'
TF: 60' CO, 150' MCO (10% G, 50% O, 40% M, Gravity 35). IFP: 30-83, ISIP: 580, FFP: 87-107,
FSIP: 557, BHT: 105 degrees.

8/06/10 8:00 a.m. Tripping in the hole 3671'.

DST #3: Arbuckle 3600-71'. Times 30-60-45-90. 1st Open: OBB 2", No blow back. 2nd Open: OBB 3", No blow
back. Recovery 1800' Wtr, show of oil in the tool, Chloride 21,000 PPM. IFP: 111-442, ISIP: 1112,
FFP: 461-800, FSIP: 1114, BHT: 112 degrees.

Attempted to go in hole for logs after DST#3. Hit bridge at 1400', came out laid down logging tools.

Went back in with drill pipe. Circulated hole clean and logged well. Ran **82 jts of new 4 ½" X 11.6# production casing set @ 3595', 19' shoe joint and 2 cement baskets @ 3576 and 1486', 6 centralizers set @ 3583, 3483, 3393, 3348, 3261 and 1486.** Circulated for 1 hour. Circulated thru out, after 1 hour – 650# pressure. Opened DV tool and circulated for 40 minutes. Cemented on bottom with 145 sx common (10% salt and 2% gel), 250 sx lite cement. Cement started circulating just before starting with flush. Handled 2nd plug @ 12:30 a.m. 8/7/10. Swift Cement ticket #18672.

COMPLETION REPORT

8/17/10 MI Express Well Service, rigged up mud pump and swivel, drilled out DV tool @ 1440' and went to bottom – PBTD: 3595', circulated hole clean. Came out with tubing and bit. SION – Will run cement bond log and perforate on 8/18/10.

8/18/10 RU Log Tech of Kansas and ran Cement bond log and found top of cement @ 2590'. Came out and ran 1 – 3' and 1 – 5' gun in and **perforated from 3396 – 3399' w/4 SPF** and then **perforated from 3473 – 3478 w/4 SPF**. Fluid was 3050' down. Ran in casing swab and swabbed 250' fluid with trace of oil on top. TIH with plug and packer to 3522' and set plug. Pulled 1 jt to 3484' and went in and tagged fluid @ 3200'. Came out with 200' oil. Swabbed well down to 3400'.

Acid Treatment

Hooked up L-K Acid and spotted 1 bbl acid on perfs (3473 – 3478) and pulled 1 jt. Set packer @ 3452' and started treating with 250 gallons of MCA – 15% acid.

- Loaded hole and took to 200#, down to 100# in 1 minute
- Took to 200#, and went down to 100# in 1 minute
- ½ bbls in and took to 300# and started feeding at ¼ BPM @ 300#
- 2 ½ bbls in and started breaking back
- Took to ½ BPM @ 200#
- 1 BPM @ 100# with 2 bbls left
- 1 ¼ BPM @ 150# @ flush
- Pumping 1 ¾ BPM @ 150# - ISIP: 0#, vacuum in 30 seconds.
- Went in with swab and tagged fluid @ 600' down.

Half Hour Tests	Recovery	Content
1 st ½ hour	13 bbls	Trace of oil
2 nd ½ hour	4 bbls - Pulling 150' fluid	50% oil
3 rd ½ hour	2 bbls	70% oil
4 th ½ hour	6 bbls	70% oil

Total load – 20 bbls – recovered 16 BL + 3.5 BO

SION

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8/19/10 Swabbed and tagged fluid @ 2100' down. ONFU – 1350', 70% Oil with gas.

2nd Pull: 400' & 150' oil

3rd Pull: 180' & 50% oil

4th Pull: 150' & 65% oil (7 bbls oil)

Released packer and went down and got plug and set plug @ 3452'. Pulled 2 jts and working on F zone now. Swabbed right down to 25' in hole. Hooked up L-K Acid and spotted 1 bbl of 15% MCA acid @ 3396'. Pulled 1 jt to 3365', set packer and started treating – had acid on bottom, pumping 1 bpm – 0#. Took to 1 ½ bpm with 3 bbls in to 2 bpm – 0# with 2 bbls left, took to 2 ½ bpm – 350#. Flushed with 2 bbls. Loaded 22 bbls. ISIP: vacuum. Went in with swab and tagged fluid @ 750' down.

Half Hour Tests	Recovery	Content
1 st ½ hour	14 bbls	Trace of oil – fluid @ 2800' down
2 nd ½ hour	6 bbls	30% oil – fluid @ 3250'

Made additional pull, had 60'. Shut down for 1 hour and went in and had 400'. Called for acid to retreat. Swabbed well dry. Total back after acid: 23 ½ bbls.

Acid Treatment

Hooked up Kansas Acid and treated with 1000 gallons 15% NeFe with 3% acetic.

- Started down and loaded – 17 ½ bbls in
- Took to 3 ¼ bpm, pressure @ 350#
- After 24 bbls in, took to 3 ½ bpm, pressure @ 400#
- Increased to 3 ½ bpm, pressure @ 500# with 30 ½ bbls in
- After 37 ½ bbls in, pressure down to 450#
- Last 4 bbls – pressure down to 400#
- ISIP: vacuum
- Total load – 48 bbls (2,016 gallons)
- Let set for 30 minutes, went in and tagged fluid @ 900' from surface.

8/20/10 ONFU: 1300' fluid, 40% oil. Swabbed down – kicking in about 4 bbls fluid per hour with 40% oil.

8/21/10 Ran in and tagged fluid @ 2151' down, had 1300' fill up with 600' oil. Swabbed for 1 hour and recovered 12 bbls – 40% oil. Swabbed for 1 hour and recovered 12 bbls – 30% oil. Swabbed for 3rd time and recovered (after acid treatment) 40 bbls with 40% oil. Fluid is staying at 200' per pull. Went down and got plug and took it to 3522'. Pulled 2 jts and set packer @ 3452' and started swabbing. Swabbed down to 100' in hole. Hooked up Kansas Acid and started treating with 1000 gallons of 15% NEFE with 3% acetic acid. Tubing loaded at 19 bbls in and started getting blow on casing and shut down. Pulled 1 jt and started treating – casing not blowing, must have been in collar. Tubing loaded again @ 29 bbls in – took to 3 ½ bpm @ 350# - at 44 bbls in, took to 3 ¾ bpm @ 450# - stopped at 48 bbls in. ISIP: vacuum. Hooked up to casing and pumped 18 bbls – water to displace acid in casing. Let set for 30 minutes and started swabbing. Tagged fluid @ 950' down.

Hour Tests	Recovery	Content
1 st hour	20 bbls fluid	1500' down – 0% oil
2 nd hour	8 bbls fluid	3100' down – 30% oil
3 rd hour	7 bbls fluid	3250' down – 65% oil

Released packer and started swabbing both zones

1 st hour	18 bbls fluid	3050' down – 5% oil
2 nd hour	10 bbls fluid	3250' down – 5% oil
3 rd hour	2 ½ bbls fluid	3350' down – 5% oil

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